

BOARD	MTG DATE	ITEM NO.
PEHCCP	08/23/00	3

**STATE OF WISCONSIN  
DEPARTMENT OF EMPLOYE TRUST FUNDS  
801 West Badger Road  
Madison, WI 53702**

## CORRESPONDENCE MEMORANDUM

---

**DATE:** August 14, 2000

**TO:** Private Employer Health Care Coverage Board

**FROM:** Phil Borden, Director  
Office of Private Employer Health Care Coverage

**SUBJECT:** Board Responsibilities, Wisconsin Act 9

This memo is provided to you for informational purposes only. The attached documents are provided for your reference throughout your Board term.

Attached are a summary of 1999 Act 9 (the budget bill), which became law on October 29, 1999, and relevant excerpts of the Act itself. Act 9 created the Private Employer Health Care Coverage Board and outlines requirements of the Private Employer Health Care Purchasing Alliance (PEHCPA).

According to the Act, responsibilities of the Private Employer Health Care Coverage Board are:

- To establish criteria for the administrator of the PEHCPA.
- To establish the PEHCPA enrollment period.
- To specify the manner of employer premium payments for employee coverage.
- To set and adjust the commission rate for the sale of PEHCPA policies, based upon the average commission rate that the insurance agents are paid in the state for the sale of comparable health insurance policies.
- To submit an annual report to the Legislature and Governor on the operation of the program by December 31 of each year (number of employers and employees participating in program and costs of the program) and include any recommendations for improving the program.
- No later than January 1, 2008, to submit a report to the Legislature and Governor offering recommendations as to whether Department of Employee Trust Funds (DETF) should continue to be involved in the design, marketing and contracting for administrative services of the program; if no further DETF involvement, Board must submit proposed legislation eliminating DETF's responsibilities with the program

Attachments